2005 STATE OF THE CITY ADDRESS

Mayor Louise Schilling

Delivered at the Troy Community Center, January 27, 2005

Ladies and Gentlemen.

The entire Troy City Council, who are my fellow colleagues; the exceptional Troy City Staff, our partners in municipal government, deserve credit and recognition for their accomplishments and dedication to our community we lovingly call Troy, Michigan. School Board members, school staff, Chamber of Commerce members, business employees and community citizens ALL are our partners in our endeavors to move Troy forward as a progressive, dynamic city.

2004 was a year of positive growth and change. We worked together and accomplished a great deal, proving what I truly believe . . . that determination and teamwork can turn our plans and dreams into realities. This is never easy, especially when demands continue to rise while resources continue to decline. Yet, through a great deal of hard work and ingenuity, we've protected our standard of living while maintaining the city's millage rate for more than eight years. In fact, the city's millage rate is one of the lowest of all Oakland County cities.

But as we talk about growth and change, we must realize that one of the most difficult things people face in their lives is the prospect of change. This fear of change often holds them back in a situation that may be less than ideal and which threatens their future. While this is true, we also know that "change is inevitable in a progressive society and change is constant." (Benjamin Disraeli -1867)

Troy, like all cities has changed drastically over the years. This change is unavoidable as we look at population, demographics, cultural diversity, budget, inflation and resources. Troy is the best of both worlds - a major city with a thriving retail and business center that has managed to maintain a hometown feel with quality neighborhoods. This is evident when you talk to residents who grew up in Troy, and are now back here raising their own families or enjoying retirement. Some of our residents have never left this community. They look back over the years with fond memories and reminisce about the good old days. As we plan for 2005 – our 50th Anniversary year, we can take great pride in our past, but we must also look to the future with confidence.

While Troy has kept its hometown charm, it has indeed become a thriving metropolis. Our population has risen dramatically over the past 50 years, with 86,000 residents and a workday population exceeding 136,000. Our community's growth is further dramatized by the significant rising value in Troy's assessed value. From 1995, the assessed value increased by 87 percent from \$3.47 billion to almost \$6.48 billion. Within the State of Michigan, the City of Detroit is the only municipality with a higher taxable value than Troy. This change, along with time, has altered the needs of our residents and is very apparent as we look back over the accomplishments achieved in 2004 and the goals we've set for 2005.

Throughout the past 40 years there has been a planning effort that directed growth in specific areas. A large industrial and research land use base in the southern area of the city, a first class office district along Big Beaver Road, and an office & research district known as Northfield area all are planned as non-residential tax base FOR the residents of the city. These non-residential areas were planned to provide a diverse non-residential tax base for the residents of the city. In addition there are commercial

areas to serve the residents and in some cases the regional commercial needs.

Troy is in a new life cycle phase where buildings and properties start to age. The City must concentrate on the redevelopment of existing buildings and diversification of the existing land uses. If the existing properties don't redevelop or reinvest, they will deteriorate. In response to the maturing community life cycle, the City will look carefully at the Big Beaver Corridor and Maple Road Corridor and identify problem areas to chart a course for the future. Both of these efforts will require a planning process that includes extensive input from our civic infrastructure.

Troy residents have always enjoyed many of the same things including safe, well-kept neighborhoods, excellent facilities, parks, and programs, and city services ranked second to none. We will continue to work hard every single day to offer these services and much more to our residents.

But our resident's changing needs will determine what we set out to accomplish in 2005 and on toward the future.

We have a lot to be proud of as we look back over the achievements of 2004. Some of our accomplishments include:

- Troy has a maintained its AAA bond rating from Standard & Poor's, Fitch IBCA and Moody's Investors Service.
- For the *fifth consecutive year* the City of Troy received *all three* of the International Government Finance Officers Association Awards for the City Budget Document, the Comprehensive Annual Financial Report and the City of Troy 2003 Financial Summary.
- On January 13, 2004 at the Troy Community Center, festivities took place to announce that Troy was named the #1 Sportstown in Michigan by Sports Illustrated magazine.
- The Troy 2004 City Calendar and the Spring 2004 Troy today were recognized with Apex Awards for Publication Excellence.
- The City of Troy was honored with a National Clarion Award from the Association for Women in Communications for its Diversity in Troy photo entry.
- The National City-County Communications Marketing Association awarded Troy with a Community Visioning Award for its Diversity in Troy entry that included efforts of the Ethnic Issues Advisory Board and Troy Daze Ethni-City.
- The National Recreation and Parks Association selected the City of Troy for its 2004 National KUDOs Award for Best Overall Communicator. The award recognizes the City's successful efforts to communicate with residents and celebrate the value that parks and recreation adds to quality of life in Troy.
- City Attorney Lori Grigg Bluhm was named one of the top "40 under 40" professionals by Crain's Detroit Business Magazine. In addition, our illustrious City Attorney, Lori Grigg Bluhm, was designated a Local Government Fellow by the International Municipal Lawyers Association. This designation recognizes attorneys as legal specialists in the field of local government law and laudes our City Attorney's proficiency and competency in the field.
- The public safety addition and renovation expansion project at the Civic Center was completed this spring and opened on April 27. This state of the art facility is a fitting home for our public safety division.
- In December 2004, Morgan Quitno Press released their 11th annual analysis of FBI Crime reports that places Troy as the safest city in Michigan and 12th safest nationally out of 354 cities (populations over 75,000).
- We completed refurbishing the Old Troy Methodist Church and Parsonage, which was moved to the Museum site in 2003. The ribbon cut last June brought together some of Troy's most cherished

- and long time resident families to celebrate.
- We opened the new 18-hole Sanctuary Lake Golf Course late summer. The Scottish, links-style course features rolling hills, 70 bunkers, and a clubhouse. What a great end use for a landfill and a championship layout that exceeded everyone's expectations.
- In 2004 Our Building Department issued more than 13,600 permits of which over 2,100 were building permits. These building activities accounted for more than 147 million dollars in construction costs.
- The 2004 General Election yielded a 77% voter turnout. This is the highest turnout in 10 years. Residents should be aware that from this year forward, City Elections no longer take place in April but will take place in November.
- The Troy Public Library ranks #1 in Michigan for libraries servicing populations of 50,000 or more people. This is up from 5th place last year. And the Troy Library is in the 95th percentile nationally. Our Library also ranks 7th nationally for use of electronic databases.
- Our business community also flourished during 2004...we saw the grand opening of new restaurants including Maggiano's Little Italy, The Melting Pot, Krispy Kreme, Jimmy John's, and Corned Beef & Mustard Deli.
- SSV has changed the blighted site at Maple Road and Stephenson Highway to a bright, new assembly plant producing high performance Saleen GT racers and other high performance vehicles
- The International Academy of Design opened earlier this year and offers certificate programs in Fashion Design, Interior and Visual Communications.
- Bentley and Rolls Royce opened their doors this year as the newest additions to the Suburban Collection at the Troy Motor Mall.
- Weil Engineering North America joined our business community this year. Weil, a subsidiary of the German-based company with h-tech tube forming and laser welding systems, opened their Sales & Service Center at 1180 E. Big Beaver.
- NBS Navigating Business Space, one of Michigan's largest and fastest growing full-service Steelcase dealerships opened their new innovative building on Bellingham.
- Quicken Loans/Rock Financial brought 1,200 new jobs to Troy as they expanded their operations in Michigan. In the next four years, an additional 4,695 jobs at the company will be created. Currently, Rock Financial was named one of the best companies in Michigan to work for by Fortune Magazine.
- North American Bancard opened its 20,000 sq. ft. headquarters in Troy last fall. The new state-of-the-art facility on Chicago Road is home to over 100 employees and represents over \$4 million of investment into the Troy business sector. NAB provides innovative payment for a wide array of companies across many industries.
- TG North America has moved to a new location in Troy that retains all of their current employees and will add 200 new workers.
- Lear Corporation moved its General Motors Division to a new Troy headquarters. Approximately 650 employees moved to the location from Madison Heights, Warren and Pontiac. This will increase efficiency and communication in the company by having workers from these three locations now in the same place.
- Walsh College and four southeast Michigan industry leaders collaborated to launch the Walsh Family Business Center. It provides educational services and business resources geared towards those who own and manage family businesses.
- Automation Alley built their new state-of-the-art headquarters in Troy in the City's SmartZone area at Big Beaver and John R. Automation Alley is Southeast Michigan's global technology cluster, connecting government, education and business.
- Automation Alley welcomed its 500th member this year and was named one of the most successful emerging organizations across the Detroit region in the 11th annual Fortune 50 of Greater Detroit competition.

• The Ryder Cup Legends Fore Children Benefit and Arts du Jour held at the Somerset Collection raised money for a number of Children's charities and showcased our fabulous shopping center as a community sponsor.

Volunteerism is the fabric of our community. It all began on January 17, 1940 when some courageous, civic-minded businessmen and public officials officially organized the Troy Fire Department. These men knew HOW TO MAKE A DIFFERENCE in the Troy community back when we were still a township! And our dedicated volunteers continue to make this community great.

We're also proud of our non-profits...

- The Boys & Girls Club of Troy is working hard at fundraising to build its new center. I encourage anyone who hasn't had the pleasure of attending the annual Taste of Troy event the first Sunday in March to purchase a ticket. It really is a wonderful way to experience many of Troy's restaurants while supporting a resource that is so important to many working families.
- The Troy Community Coalition, Troy Historical Society and the Community Foundation of Troy is helping celebrate our City's 50th with the Beaver Tales art project we can look forward to having sculptures all around town. I'm sure the arts community will wow us with their creativity.

As we look toward the future, we know that further change is indeed inevitable. Our challenge is to take every advantage of the opportunities this change presents. We must respond to the demands of our residents whether they are children, adults, senior citizens, homeowners or business owners. The projects we are proposing for 2005 and on into the next century ensure that we are taking steps to meet our city's needs. The City of Troy is working with Oakland County leaders to identify and help emerging sectors companies locate in Troy. These high-wage jobs are being created in the fields of bio-technology, nanotechnology, wireless (Wi-Fi) communications, and others. We are working with others through partnerships to bring jobs that will provide opportunity and advancement for Troy's residents.

We need diversified economic development. We need to work with job providers and job seekers to make sure their views and concerns are heard at City Hall. Policy will be based on respect for diverse opinions and with the goal of creating solutions based on shared values.

There is so much demand placed on our resources that we must constantly look toward the future and improve our services, the facilities and the infrastructure we depend on and enjoy.

In 50 years, through careful planning, investment, and community dedication, Troy has developed into one of the best places to live – not just in this state, but also in the country. It is difficult to determine if it is a better place to live, work, or to locate a business – because all these community elements are thriving. Looking ahead, we face new challenges. Troy must adjust itself from a growing up-and-comer, to the established, mature community that needs to focus on continued, long-term strength. We must remember that continued investment in our infrastructure is essential.

Troy City Council must continually work to improve it's own efficiency and time-management priorities to better serve our constituency. Our City Council/Manager form of municipal government demands that the legislative, governing body work in PARTNERSHIP with the City Manager and City Attorney for the efficient administration of the city government. We, as a council, must continually strive to serve with the best interests of ALL of Troy as our core value and focus.

The key to the future is growing and maintaining our partnerships -- partnerships within the community,

the business sector, with other levels of government, and with our neighboring communities. Troy has 50 years of a wonderfully strong foundation. We also have excellent resources. There are those who insist on only maintaining the status quo.

Yes, there are a lot of changes happening in Troy. Changes on our roads, in our parks, in our business districts, and in our neighborhoods and schools. These changes will affect our children, adults, business owners and senior citizens. Our challenge is to take every advantage of the opportunities this change presents in order to make Troy even stronger in the future. The changes will keep Troy on the cutting edge - making it a city others wish to emulate.

Everything we accomplished in the past, help us preserve and protect Troy's values and traditions. Our goals and our future dreams make Troy the perfect place to live, work and play. Yes, this will require hard work and perseverance, but if we continue to build on our strong traditions of community involvement, civic pride and efficient management we can achieve our dreams. We take great pride in our past 50 years and look to the future with confidence that Troy is the ideal place to live, raise a family and operate a business.

Monday, January 24,2005 the City of Troy City Council accepted the gracious, generous, and significant donation by Harriet Barnard of her historical house to be moved to the Troy Museum and Historic Village. Judge Norman Barnard and Harriet have deep roots in our community. The Niles home was built by the family of Johnson Niles in 1837. The meetings to establish Troy as a home-rule city were held in the Niles/Barnard home in March 1955. They pushed back the furniture, unrolled the maps, and platted the city on the living room floor. Here they also finalized their strategy to distribute petitions and file them at the Oakland County Courthouse. Mr. and Mrs.

Barnard lived lives of public service in a home that remains a tangible link with our pioneer past, our determination to build a city, and our dreams for Troy's future.

Harriet Barnard is a direct descendant of Conrad Kyser who settled in Troy (near Maple and Livernois) in 1829 following service in the War of 1812. Norman Barnard's family moved to Troy Corners in 1919 when he was four years old. He purchased the Niles Home in 1941. He and Harriet were married in the living room that same year.

As we celebrate our 50th year as a city you will learn more about the historical significance of the wonderful Barnard family and appreciate the grand historical nature of their gift to the City of Troy!

Our vision for 2005 and beyond....

Our 50th anniversary is a time to reflect on our accomplishments and to take stock of our resources and our future.

Some in our community would have you believe that standing still, running in place or treading water is the right motion for Troy. I am not one of those people. I believe we must create our future, first we must protect the integrity of our neighborhoods, but we also have to make Troy a community that businesses will invest in. The Big Beaver corridor study and a similar study on Maple and Stephenson should be the building blocks for a comprehensive draft of the City's master plan that will establish the Big Beaver corridor as a world-class boulevard.

Partnerships will help create that future, the residential citizen and the business owner are <u>not</u> adversaries, but critical partners for future generations.

The opportunity that confronts us will redefine our future and the proposed high-rise residential tower, the Monarch, and the possible redevelopment of the Kmart site is an exciting possibility that will turn our past strengths into a whole new future!

As we deal with the future, I am reminded of a recent commercial I saw for a financial institution that had an easy button. The commercial's theme is that there is no easy button. As council looks to the future we must envision and create our future. The opportunity that this community has is not just to recognize the diverse population we have, but also to celebrate that diversity. I believe our future is not about maintaining the business center on Big Beaver Road, but to create as the Downtown Development Authority has challenged us to do a world-class boulevard. With the Planning Commission's leadership, it is not just to revive the Maple Corridor, but to create a grand commercial and industrial corridor that will take the City well into the next 25 years. Our opportunity is to create gateways to welcome our visitors and the employees of our businesses, and those gateways and entrances to the City should remind our residents and business owners of the greatness of the City.

In conclusion, I do believe we are at a crossroads. Those who would have us survive would recreate the past and give few tools to retain business. Those would have us thrive, will help preserve the past, but create a vibrant City that will attract private investment. Let there be no mistake about it, the 21st century cities thrive because of public/private partnerships, not in spite of them or without them. Troy has a remarkable past, a proud present and a great future.

Thank you for allowing me to share these remarks with you.

Louise E. Schilling

Mayor City of Troy January 27, 2005



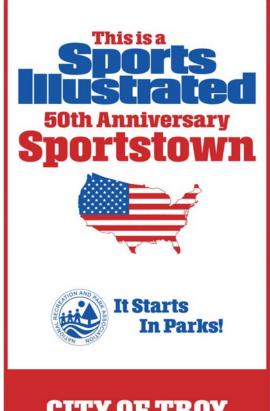
- Standard & Poor's
- Fitch IBCA
- Moody's Investor Service





- International Government Finance
 Officer Association Awards
 - 5th Consecutive Year
 - City Budget Document
 - Comprehensive Annual Financial Report
 - 2003 City of Troy Financial Summary

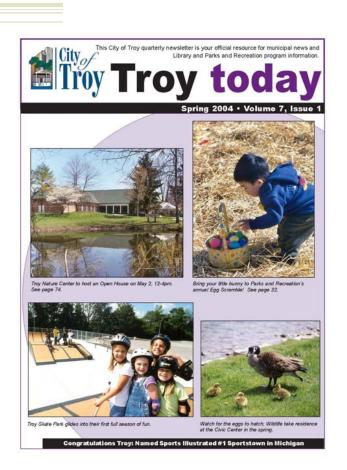




CITY OF TROY selected No. 1 in Michigan

- •#1 Sportstown in Michigan
 - Announced by *Sports Illustrated*
 - January 13, 2004





- Apex Awards for Publication Excellence
 - Spring 2004 *Troy Today*
 - Troy 2004 City Calendar





- National Clarion Award
 - From the Association for Women in Communications
 - Diversity in Troy photo entry



- Community Visioning Award
 - From the National City-County Communications
 Marketing Association
 - Diversity in Troy efforts such as the Ethnic Issues Advisory Board and Troy Daze Ethni-City





- National KUDOS Award
 - From the National Recreation and Parks Association
 - Best Overall Communicator



City Attorney's Office

- City Attorney Lori Grigg Bluhm
- Named "Top 40 Under 40" by Crain's
 Detroit Business Magazine
- "Local Government Fellow" by the International Municipal Lawyers Association





- Civic Center Expansion
 - Public Safety addition and renovation project at the Civic Center
 - Opened April 27, 2004
 - State-of-the-art facility



- Safest City in Michigan
 - Morgan Quitno Press released 11th Annual Analysis of FBI Crime Reports
 - Also 12th safest nationally out of 354 cities (populations over 75,000)



Old Troy MethodistChurch & Parsonage



- Finished refurbishing at Museum site
- Ribbon-cutting in June



- Sanctuary Lake Golf Course
 - Opened in late summer
 - 18-hole championship layout
 - Great end use for an old landfill





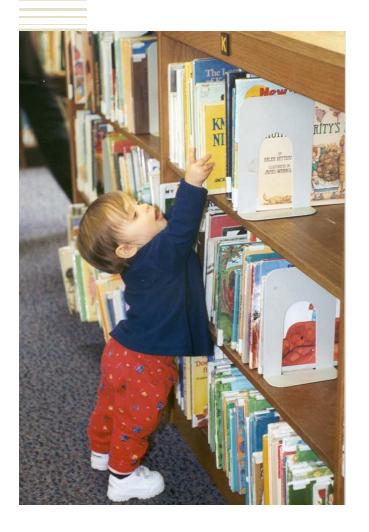
Building Department

- Issued more than 13,600 permits
- More than 2,100 were building permits
- Generating more than \$147 million in construction costs



- ◆ General Election 77% turnout
 - Highest voter turnout in 10 years
 - Going forward, City Elections are now held in November instead of April





Troy Public Library

- Ranks #1 in Michigan for libraries servicing 50,000 or more people
- 95th Percentile Nationally
- Ranks 7th for use of electronic databases





Barnard Home

